

ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)
)
Amendment to the Commission's Regulatory)
Policies Governing Domestic Fixed Satellites)
and Separate International Satellite Systems)

IB Docket No. 95-41

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

COMMENTS OF
WORLD COM, INC.

WorldCom, Inc. ("WorldCom")^{1/} hereby submits its Comments in response to the Commission's Notice of Proposed Rulemaking ("NPRM") released April 25, 1995 in the above-captioned proceeding. WorldCom supports the Commission's proposal to eliminate the distinction between U.S. domestic satellites and U.S.-licensed international satellites, thereby allowing U.S. domestic satellites to provide international service, and U.S.-licensed international satellites to provide domestic service. WorldCom also supports the Commission's proposal to streamline the licensing of earth stations using U.S.-licensed space segment, although WorldCom suggests some minor modifications to improve the Commission's proposal. WorldCom suggests that the question of whether Intelsat or Inmarsat should be permitted to provide domestic service be the subject of a separate proceeding because of the unique issues involved.

A. **Background**

WorldCom, which recently completed the acquisitions of IDB Communications Group, Inc. and WilTel, is one of the four largest providers of interexchange telephone

^{1/} LDDS Communications, Inc. changed its name to WorldCom, Inc. in May 1995.

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service in the U.S. WorldCom uses satellites extensively in its provision of international voice and data services. In addition, through its IDB Broadcast division, WorldCom is one of the leading suppliers of domestic and international satellite transmission and distribution services of video and audio programming for the broadcast industry. As one of the largest users of domestic and international satellite services, WorldCom is vitally interested in the NPRM.

**B. Elimination Of Service Restrictions On
U.S.-Licensed Satellite Systems Will Enhance Competition**

WorldCom supports the Commission's proposal to eliminate the distinction between U.S. domestic satellites and U.S.-licensed international satellites, thereby allowing U.S. domestic satellites to provide international service, and U.S.-licensed international satellites to provide domestic service. NPRM at ¶¶ 18-22. Increased competition among satellite operators will result in lower prices and increased service options. As one of the largest users of satellite services, WorldCom would clearly benefit by having a wider range of options available to it in its provision of various services via satellite. In turn, WorldCom would be able to offer its customers more routing options.

In particular, the removal of unnecessary geographic restrictions on U.S.-licensed satellite systems will help to alleviate capacity shortages. For example, the ability of U.S. "domestic" satellites to provide international service could help to reduce the shortage of capacity for communications links between the U.S. and South America. Likewise, the ability of U.S.-licensed "international" satellites to provide domestic service could help to alleviate capacity shortfalls for transmission of broadcast coverage of special events, like the upcoming 1996 Olympics in Atlanta and the 1996 Presidential campaign, and

natural disasters, such as earthquakes and hurricanes. By maximizing the flexibility of U.S. licensed satellite systems, the Commission will be maximizing the options available to the users of these systems.

C. **Eliminating The Distinction Between Domestic And International Earth Stations Will Reduce Regulatory Burdens And Increase Flexibility**

WorldCom supports the Commission's proposal to eliminate the distinction between domestic and international earth stations using U.S.-licensed space segment. NPRM at ¶ 36. WorldCom submits, however, that the Commission's proposal does not go far enough. A properly licensed U.S. earth station should be permitted to provide authorized services not only with U.S.-licensed satellites, but also with non-U.S.-licensed satellites, including other nations' domestic satellite systems (such as the Canadian ANIK system, the Mexican Morelos system, and the Russian Intersputnik system), and with the Intelsat satellite system. Allowing U.S.-licensed earth stations to communicate with all satellites and all countries consulted under Intelsat's Article XIV(d) procedures will achieve the Commission's stated goals of reducing the number of license modification applications to be processed and allowing operators to provide service immediately, consistent with Article XIV(d) consultations. See NPRM at ¶ 36.

WorldCom also suggests that the Commission eliminate all distinctions among receive-only earth stations. Although the Commission proposes to eliminate the distinction between U.S. domestic and U.S.-licensed international satellite systems, Section 25.131(j)(2) would still require licensing of receive-only earth stations operating with U.S.-licensed satellites for the reception of services from other countries. In addition, Section 25.131(j)(1) and (2) would require licensing of receive-only earth stations operating with Intelsat, and

with non-U.S. space stations for the reception of services from other countries. Since receive-only earth stations are incapable of creating interference, WorldCom submits that the Commission should delete the licensing requirement for all such facilities.

D. The Provision Of Domestic Service By Intelsat And/Or Inmarsat Should Be The Subject Of A Separate Proceeding

The Commission stated that it has not reached any tentative conclusion as to whether Comsat should be permitted to provide domestic capacity using Intelsat capacity. NPRM at ¶ 39. The Commission also stated that it was not making any proposal as to the extent to which Inmarsat should be permitted to serve the U.S. market. Id. In light of the Commission's decision not to set forth any proposals regarding these matters, and because of the unique issues involved, WorldCom submits that the issues regarding the provision of domestic service by Intelsat and/or Inmarsat should be the subject of a separate proceeding.

Respectfully submitted,

WORLD.COM, INC.

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June 8, 1995

CERTIFICATE OF SERVICE

I, Susanne Deljoubar, hereby certify that I have this 8th day of June, 1995 sent a copy of the foregoing "Comments of WorldCom, Inc." by first-class U.S. mail, postage prepaid, to the following:

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